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OF COUNSEL

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August 5, 2003

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION
Alternate Unit Well
JAMES RB SUJ
Benson Field
DeSoto Parish, Louisiana
Our File No. 370306.0034

Dear Sir:

On behalf of PINNACLE OPERATING CO., INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the James Formation, Reservoir B, in the Benson Field, DeSoto Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize the Pinnacle Operating Co., Inc. - Lewis Estate No. 1 - Alt. Well as an alternate unit well for JAMES RB SUJ, at the location shown on the attached plat, or at any legal location within such unit.
2. To explicitly find that the proposed alternate unit well is necessary to drain a portion of the James Formation, Reservoir B in the Benson Field, underlying JAMES RB SUJ, which cannot be efficiently and economically drained by an existing well in such units.
3. To provide that the unit allowable for the abovesaid unit may be produced from either the unit well, the alternate unit well, or any combination thereof, at the operator's discretion.
4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

Commissioner of Conservation

August 5, 2003

Page 2

The James Formation, Reservoir B, in the Benson Field, DeSoto Parish, Louisiana was fully defined in Office of Conservation Order No. 496-D, effective April 1, 1980.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Bank One Tower, 400 Texas Street, Shreveport, LA 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

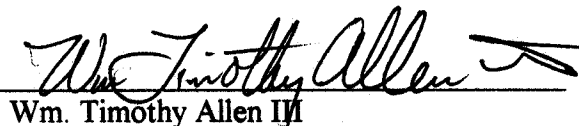
A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By:



Wm. Timothy Allen III

Attorneys for Pinnacle Operating Co., Inc.

WTAIII/bp
Enclosures

cc: Mr. James C. Broussard, Shreveport
District Manager, Office of Conservation
(w/encl)

Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

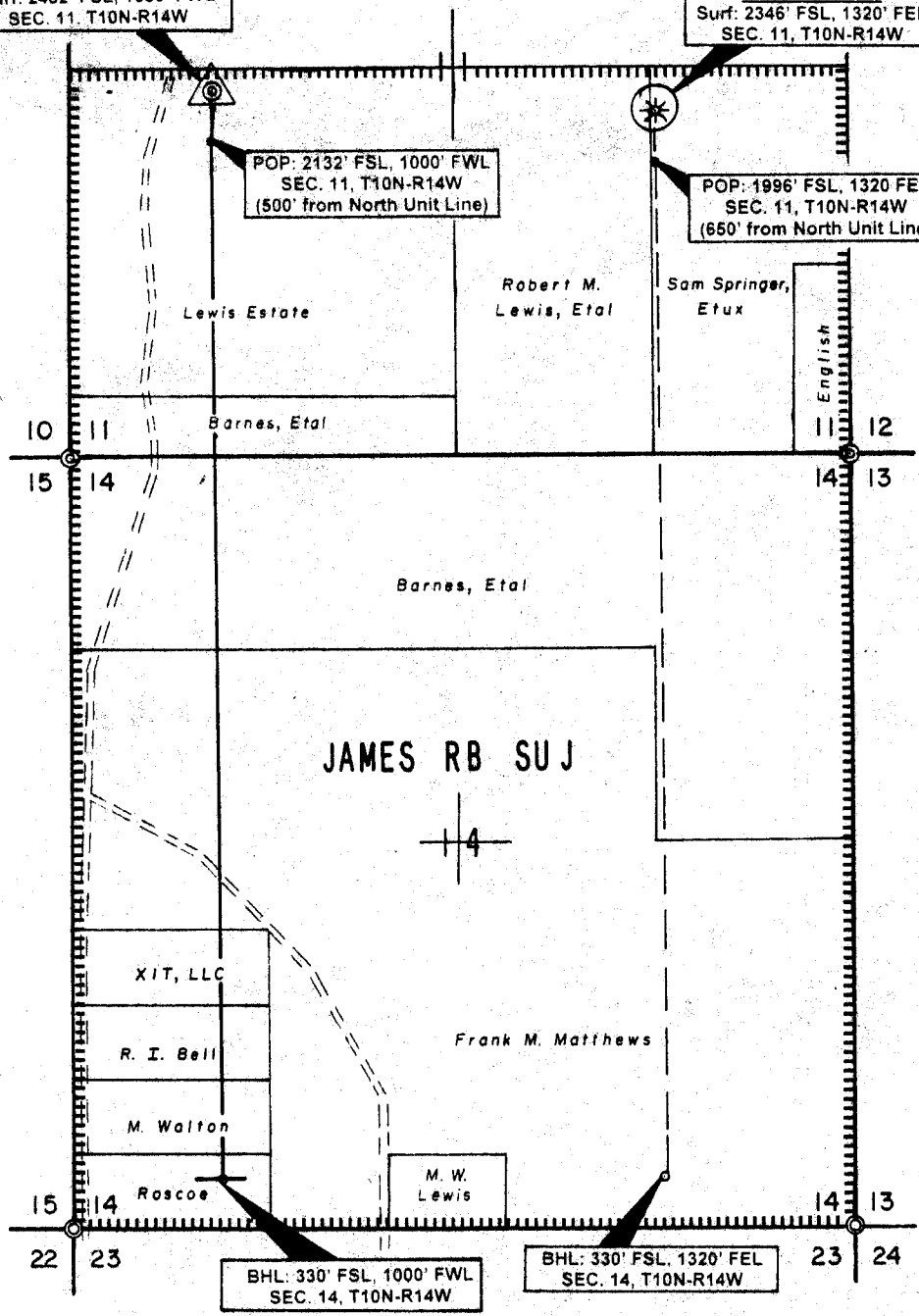
LEWIS ESTATE #1-ALT.
 Surf: 2482' FSL, 1000' FWL
 SEC. 11, T10N-R14W

**TOWNSHIP 10 NORTH, RANGE 14 WEST,
 DeSOTO PARISH, LOUISIANA.**

SPRINGER #1
 Surf: 2346' FSL, 1320' FEL
 SEC. 11, T10N-R14W

POP: 2132' FSL, 1000' FWL
 SEC. 11, T10N-R14W
 (500' from North Unit Line)

POP: 1996' FSL, 1320' FEL
 SEC. 11, T10N-R14W
 (650' from North Unit Line)



Docket No.

Order No.

PINNACLE OPERATING CO., INC.

UNIT PLAT

OF




JAMES RB SU J; LEWIS ESTATE No. 1-ALT.

BENSON FIELD

DESOTO PARISH, LOUISIANA

Date: July 25, 2003

Scale: 1" 1000'

-  = EXISTING UNIT WELL
-  = PROPOSED ALTERNATE UNIT WELL
-  = EXISTING UNIT